

**Board of Contract Appeals**  
General Services Administration  
Washington, D.C. 20405

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June 19, 2003

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GSBCA 16104-RELO

In the Matter of MARY SUE HAY

Mary Sue Hay, Millington, TN, Claimant.

Lt. Y. O. Paulk, Officer in Charge, PERSUPPDET Memphis, Department of the Navy, Millington, TN, appearing for Department of the Navy.

**DANIELS**, Board Judge (Chairman).

A claim by Mary Sue Hay, an employee of the Department of the Navy, causes us to examine the application of the provisions of the Federal Travel Regulation (FTR) and the Department of Defense's Joint Travel Regulations (JTR) which provide a miscellaneous expense allowance to transferred employees. We conclude that the provisions are not so broad as to encompass within the allowance all the expenses of relocation for which Ms. Hay seeks reimbursement.

The FTR provides a miscellaneous expense allowance to an employee who is transferred in the interest of the Government and who "has discontinued and established a residence" in connection with the relocation. 41 CFR 302-3.2(a) (2000); see also JTR C9001 (Nov. 2000).<sup>1</sup> The allowance "is for defraying various contingent costs" associated with the change of residence. 41 CFR 302-3.1(a); see also JTR C9000. The FTR and the JTR list examples of costs which are covered by the allowance and other costs which are not covered. 41 CFR 302-3.1(b), (c); JTR C9000, C9003. See generally Troy W. Cavenee, GSBCA 15635-RELO, 02-1 BCA ¶ 31,683 (2001).

The regulations provide that a miscellaneous expense allowance may be paid in one of two alternative amounts. A specified amount is paid to an employee who does not maintain records documenting miscellaneous expenses incurred; a higher amount is paid to an employee who presents justification for such payment. Ms. Hay was transferred from Virginia to Tennessee in November 2000. At that time, the amount to be paid to an employee

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<sup>1</sup>We cite to the version of each regulation in effect on the date Ms. Hay reported to her new duty station.

who had an immediate family (as she did), but who did not maintain records of expenses, was \$700 or the equivalent of two weeks' basic pay, whichever was less.<sup>2</sup> The regulations placed a cap on payment of the higher amount to an employee who supported payment with "paid bills or other acceptable evidence justifying the amounts claimed," see 41 CFR 302-3.3; JTR C9004-A, -B, but that limitation does not affect Ms. Hay's claim.

Ms. Hay asked the Navy to pay her a miscellaneous expense allowance of \$2658.86. She presented invoices showing that she has actually paid the claimed amount. The Navy determined that the total of expenses she claimed which were reimbursable as miscellaneous expenses was less than \$700. (How it reached this determination is uncertain, since the agency has not specified which of the expenses it considered reimbursable.) The Navy consequently paid her only the minimum amount of \$700. Ms. Hay asks us to review the agency's action.

We examine each of the claimed expenses separately.

#### Expenses specifically mentioned in the regulations

As the agency recognizes, expenses which are included in Ms. Hay's claim and are specifically mentioned in the regulations as "costs intended to be reimbursed under the miscellaneous expense allowance" are reimbursable as part of the allowance. These include fees Ms. Hay, her husband, and her mother (who lived and moved with the couple) paid for Tennessee driver's licenses and automobile registrations, and for connecting the water service at their new residence. 41 CFR 302-3.1(b)(1), (5); JTR C9000-1, -5; Cavenee; Dale G. Luckman, Jr., GSBGA 14874-RELO, 99-2 BCA ¶ 30,431.

#### Expenses relating to piano

Ms. Hay paid to have her grand piano re-assembled, set up, and tuned once it arrived at her new residence in Tennessee. These expenses are similar to one of the examples of allowable expenses set out in the regulations: "[f]ees for . . . connecting . . . equipment . . . involved in relocation." 41 CFR 302-3.1(b)(1); JTR C9000-1. They are consequently reimbursable as part of the miscellaneous expense allowance. See Irwin Kaplan, B-190,815 (Mar. 27, 1978) ("Piano tuning is a service necessary whenever a piano is moved and, therefore, is reimbursable . . . as a cost associated with its installation in the employee's new residence.").

#### Delivery of new appliances

In conformance with the custom in the locations of her old and new duty stations, Ms. Hay sold her old residence in Virginia with all its appliances and bought her new home in Tennessee without any appliances. As a result, she had to purchase new appliances for the Tennessee residence. Ms. Hay understands that the Government is not responsible for the cost of the new appliances. See 41 CFR 302-3.1(c)(5), JTR C9003-B(13). She asks that the

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<sup>2</sup>This amount is now \$1000 or the equivalent of two weeks' basic gross pay, whichever is less. 41 CFR 302-16.102 (2002).

Navy pay for the cost of delivering those appliances to her house, however, as a component of the miscellaneous expense allowance.

We find this proposal wanting. The regulations allow reimbursement only for costs associated with appliances which were themselves involved in a relocation. Sol Rosen, B-184,352 (June 14, 1976); Miscellaneous Expense Allowance, B-182,139 (Mar. 5, 1975); see also Richard J. Gamble, Sr., GSBCA 15096-RELO, 00-1 BCA ¶ 30,657 (1999) (as to window coverings). Just as the cost of newly-acquired items (including appliances) is not reimbursable, so any costs associated with newly-acquired items (such as delivery charges) are not reimbursable. The delivery charges Ms. Hay paid are simply another cost of provisioning the new residence with necessary new appliances.

#### Cost of security system

Ms. Hay's old house had a security system. When she purchased her new house, it did not have such a system. She paid a company to furnish and install in the new residence a system comparable to the one she had left behind. This payment is clearly not reimbursable as a miscellaneous expense. If Ms. Hay had had the system in her old house uninstalled, shipped to Tennessee, and installed in her new house, the charges for disconnecting and reconnecting the system would have been allowable expenses under the allowance. 41 CFR 302-3.1(b)(1); JTR C9000-1. She did not do this, however. Instead, she sold the system in the old house as a fixture of that house (presumably receiving a higher price than she would have gotten if she had sold the house without the system) and bought an entirely new system in Tennessee. As explained with reference to her new appliances, costs associated with a newly-purchased item are not reimbursable – even if that item essentially duplicates one left behind at the previous duty station. See Richard E. Backlund, GSBCA 14646-RELO, 98-2 BCA ¶ 30,045; Joseph F. Kump, B-219,546 (Nov. 29, 1985).

#### Rental of post office box

Ms. Hay rented a post office box so as to have a constant mailing address between the time she left her old residence and the time she moved into her new one. The Comptroller General, our predecessor in settling federal employee relocation claims, decided, "Since the purpose for the [miscellaneous expense] allowance is to help defray the extra expenses incurred during the transitional period when a residence is discontinued at the old station and a residence is established at the new station, the short-term post office box rental qualifies as an allowable miscellaneous expense." Andrew Fischer, 70 Comp. Gen. 486 (1991). We find this reasoning persuasive and adopt it.

#### Expenses relating to pets

Ms. Hay paid a fee to board her dogs at an animal hospital in Virginia while her household goods were being packed and loaded in a carrier's truck. She also paid a fee, for the right to keep the dogs with her, to the owner of the place where she, her husband, and her mother lived temporarily in Tennessee until they could find permanent housing.

Neither of the expenses incurred with relation to the pets is a reimbursable miscellaneous expense. A dog lover might view these costs as being for the provision of a

temporary home for the animals. We have already decided, however, after an analysis of relevant regulations and cases, that the Government is not obligated to pay for lodging of pets as a temporary quarters subsistence expense. Felicia H. Peterschmidt, GSBCA 15843-RELO, 02-2 BCA ¶ 31,988. Someone who does not view dogs so fondly might view the costs in question as being for the temporary storage of the animals. The Government pays for a transferred employee's temporary storage only of household goods, however, and pets fall outside the regulations' definition of "household goods." Id. While, the JTR specifically allow, as part of the miscellaneous expense allowance, "charges for pet quarantine," they do not allow charges for "services that are a part of routine pet care." JTR C9000-7.<sup>3</sup>

#### Rental of storage facility

Ms. Hay rented space in a storage facility in which to keep, while she was living in temporary quarters, household goods which she had not shipped with a moving company. The cost she incurred was for temporary storage, which is a matter covered by portions of the regulations separate from those governing the miscellaneous expense allowance. See 41 CFR 302-8.5; JTR C8600-C8610. The allowance does not cover costs which are addressed elsewhere in the regulations. 41 CFR 302-3.1(c); JTR C9003-A.2. Consequently, the money Ms. Hay paid to rent space in a storage facility is not reimbursable as a miscellaneous expense.

#### Summary

The total of the costs Ms. Hay incurred in moving at the Government's direction, and which are reimbursable under the miscellaneous expense allowance, is less than \$700. The Navy has already paid her the \$700 to which she is allowed as an allowance for an employee with an immediate family who did not maintain records of expenses, and for whom two weeks of basic pay was more than \$700. She has therefore already received all that she may recover under this allowance. Her claim for additional money is denied.

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STEPHEN M. DANIELS  
Board Judge

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<sup>3</sup>The allowability of expenses for pet quarantine was prescribed by the Comptroller General. He noted that quarantine fees are "imposed by the law of the jurisdiction of [an employee's] new residence as an integral part of the process of admissions and licensing." In this regard, he found them to be comparable to the fees associated with bringing an automobile into a jurisdiction of new residence, and therefore allowable. John D. Johnson, B-206,538 (Sept. 14, 1982). The same reasoning does not apply to expenses for routine boarding of pets.